



**CITY OF BEVERLY HILLS**  
455 N. Rexford Drive  
Beverly Hills, CA 90210  
4<sup>th</sup> Floor Conference Room A

**The Beverly Hills City Council / Public Works Commission Liaison Committee**

**SPECIAL MEETING HIGHLIGHTS**

Monday, May 16, 2016  
3:00 PM

**MEETING CALLED TO ORDER**

Date / Time: May 16, 2016 / 3:04 PM

**IN ATTENDANCE:** Vice Mayor Krasne, Councilmember Gold, M.D., Assistant City Manager George Chavez, Assistant Directors of Public Works Chad Lynn and Trish Rhay, Deputy Director of Public Works Erick Lee, City Engineer Mark Cuneo, Planning & Research Analyst Michelle Tse, Senior Management Analyst Caitlin Sims, Water Resources Manager Vince Damasse, Public Works Vice-Chair Jeff Wolfe, Public Works Chair Sandra Aronberg, Senior Budget & Financial Analyst Tatiana Szerwinski, Water Conservation Administrator Debby Figoni, Executive Assistant III Audrey Wright.

**1) PUBLIC COMMENT**

Members of the public will be given the opportunity to directly address the Committee on any item listed on the agenda.

Speakers: None

**2) WATER CONSERVATION PROGRAM AND POLICY UPDATE**

Assistant Director of Public Works Services Trish Rhay gave background and update.

**A. Governor's Executive Order B-37-16**

- Penalties rescinded; Order is water efficiency focused.
- State Water Board to meet May 17, 2016.
  - Staff hopes to receive guidance and status of 32% mandated reduction.
- MWD lifted allocation restrictions
  - MWD lowered the water supply allocation classification for Beverly Hills from Stage 3 to 2.
- City's Long-term program will be efficiency, not conservation.
- Need to determine how to address violations (fines versus penalty surcharge).

**B. Groundwater Wells**

- Monthly testing with the Department of Drinking Water has been taking place.
- Getting water to the Treatment Plant for use would make the City less dependent on MWD.

**C. Current Penalty Surcharge Process**

- The water penalty surcharge program, based on 2013 numbers, is not sustainable. More analysis is needed to decipher guideline targets.
- The idea of requiring new home developments to provide landscape plan submittal was discussed.
- Penalty surcharges collected could possibly be used to offset losses.
- 32% mandated reduction remains in effect until directed otherwise.
- The surcharge was not intended to make up for revenue shortfalls. A long-term goal is changing rates; fines remain possible.
- City Council does not wish to delay water repairs/projects.

### **3) WILL SERVE POLICY AND EXACTION FEE UPDATE**

Assistant Director of Public Works Services Trish Rhay and Water Resources Manager Vince Damasse gave background and update.

#### **A. Will Serve Policy**

- Comparable cities' guidelines/components were surveyed.
- Developer information is required for the City to determine water availability.
- A one-year expiration is not punitive; Los Angeles City Fire does not accept Fire Flow information over one year old. Developers may reapply.
- Fees are collected when building begins, prior to conditional approval.
- It is not believed the City has ever denied issuance of a Will Serve Letter; the City is required to provide water as a purveyor/supplier.
- If water requested is not available, the City can require the developer pay for the costs associated with procuring additional water or set a moratorium in place.
- Concerning West Hollywood's current large-scale projects and the strain they will place on the City's system, staff will use best practices and is working with those developers to ascertain fees.
- Concerning the City's physical ability to deliver water in light of demands, staff needs to discover system weaknesses and conduct analysis of future demand. The Water Capacity Fee is one fee designed to help ensure supply.
- An interim system is in place, requiring developers to upgrade the City's infrastructure to develop supply.
- Developers must be made aware of the one-year expiration, the need to reapply and the possibility of denial if factors change.

#### **B. Water Supply Exaction Fee**

- Use of a term other than 'exaction fee'
- Fee is in addition to the Water Capacity Fee and applies to demand which could change. It incorporates the cost of infrastructure.
- Initial analysis based on 75% MWD, 25% City water.
- New demand decreases local water. Staff is looking into other water rights.
- Deep wells exist on Burton; staff to look into whether they can be shallow.
- Instituting the fee as a tax versus a fee.

### **4) WATER RATE UPDATE**

Assistant Director of Public Works Services Trish Rhay gave background and update.

- City Council directed staff to complete an operational and financial audit of the Water Enterprise Plan and complete public outreach.
  - Consultants have been hired and have begun work. This is estimated to be a four month process. Staff is working on an outreach plan.
  - Staff to ensure outreach to West Hollywood; their Mayor sent a letter to the State Water Board concerning unfairness in the rate structure.

## **5) ELEVATOR MODERNIZATION**

Assistant Director of Public Works Services Chad Lynn gave an update.

- The City consolidated elevator maintenance into one company, ThyssenKrupp, two years ago. Roughly 75% of modernization is complete and most units are under a service agreement.
- The City has a dedicated route technician to ensure services paid for are being provided. The City purchased a 'route' and defined coverage; tasks not defined are paid for on a pre-negotiated, ad-hoc basis.

## **6) UNDERGROUND UTILITY UPDATE**

City Engineer Mr. Cuneo gave an update.

- Staff will bring this topic before City Council to provide a program update on June 21, 2016.
  - Utilities are located in alleys; staff would work within Southern California Edison and the California Public Utilities Commission guidelines
- Utility lines not updated and are undersized for voltage carried; Vice Mayor Krasne would like lines brought up to size/code.
- Southern California Edison participates in a program to upgrade circuits (poles and wires) for demand.
- Under Rule 20 of the Public Utilities Commission, in which the City participates, the City approved underground utilities with funding of roughly \$150,000 yearly.
  - This would be an expensive undertaking

## **7) ADJOURNMENT**

Date / Time: May 16, 2016 / 4:27 PM